

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
EASTERN DIVISION
No. 4:17-CV-174-D

UNITED STATES OF AMERICA, and)
STATE OF NORTH CAROLINA,)

Plaintiffs,)

v.)

ORDER

A PERFECT FIT FOR YOU, INC.,)
MARGARET A. GIBSON, and SHELLEY)
P. BANDY,)


Defendants.)

On December 13, 2017, the United States of America and the state of North Carolina filed a complaint against A Perfect Fit For You, Inc. ("Perfect Fit"), Margaret Gibson ("Gibson"), and Shelley Bandy ("Bandy"; collectively, "defendants"), alleging federal and state claims arising from a Medicaid fraud scheme that defendants operated [D.E. 1]. On May 15, 2018, Perfect Fit answered the complaint and alleged several crossclaims against Gibson and Bandy [D.E. 29]. On June 5, 2018, Perfect Fit amended its crossclaims [D.E. 31]. On June 22, 2018, Perfect Fit moved to join additional defendants to its crossclaims [D.E. 33] and filed a memorandum in support [D.E. 34]. On July 11, 2018, Gibson responded in opposition [D.E. 37]. On July 25, 2018, Perfect Fit replied [D.E. 40]. On June 25, 2018, Gibson moved to dismiss or, in the alternative, to stay Perfect Fit's crossclaims [D.E. 35] and filed a memorandum in support [D.E. 36]. On July 23, 2018, Perfect Fit responded in opposition [D.E. 39]. On August 6, 2018, Gibson replied [D.E. 41].

On March 20, 2019, the court held a hearing concerning the motions. As explained at the hearing, the court DENIES Gibson's motion to stay [D.E. 35], GRANTS IN PART and DENIES IN

PART Gibson's motion to dismiss [D.E. 35], and DISMISSES without prejudice Perfect Fit's fraudulent transfer and conversion crossclaims. The court also DENIES IN PART and GRANTS IN PART Perfect Fit's motion to join additional crossclaim defendants [D.E. 33], and ORDERS that Ronald Wayne Gibson, R. Wayne Gibson, Inc., d/b/a Gibson Construction Co., Inc., and RW & MA, LLC, be joined as defendants to Perfect Fit's unjust enrichment and civil conspiracy crossclaims. See Fed. R. Civ. P. 20.

SO ORDERED. This 20 day of March 2019.



JAMES C. DEVER III
United States District Judge